



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3038

Introduced 2/19/2021, by Rep. Keith R. Wheeler

SYNOPSIS AS INTRODUCED:

705 ILCS 505/8	from Ch. 37, par. 439.8
740 ILCS 175/4	from Ch. 127, par. 4104
740 ILCS 175/4.5 new	

Amends the Illinois False Claims Act. Provides that no court has jurisdiction over a civil action relating to or involving a false claim regarding certain tax acts administered by the Department of Revenue unless the action is brought by the Attorney General. Provides that the Department has the sole authority to bring an administrative action and that the Attorney General has the sole authority to bring a judicial action under the Act for a false claim, statement, or record pertaining to certain taxes administered by the Department. Contains provisions concerning reporting, investigative, and enforcement procedures for allegations of false claims pertaining to certain taxes. Contains provisions governing the payment of rewards to persons who provide information that leads to recovery of funds under the new provisions. Provides that the appeal of a determination regarding an award may be appealed exclusively to the Court of Claims and must be filed within 30 days of the determination of the award. Makes other changes, including a corresponding change in the Court of Claims Act.

LRB102 10747 LNS 16076 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Court of Claims Act is amended by changing
5 Section 8 as follows:

6 (705 ILCS 505/8) (from Ch. 37, par. 439.8)

7 Sec. 8. Court of Claims jurisdiction; deliberation
8 periods. The court shall have exclusive jurisdiction to hear
9 and determine the following matters:

10 (a) All claims against the State founded upon any law
11 of the State of Illinois or upon any regulation adopted
12 thereunder by an executive or administrative officer or
13 agency; provided, however, the court shall not have
14 jurisdiction (i) to hear or determine claims arising under
15 the Workers' Compensation Act or the Workers' Occupational
16 Diseases Act, or claims for expenses in civil litigation,
17 or (ii) to review administrative decisions for which a
18 statute provides that review shall be in the circuit or
19 appellate court.

20 (b) All claims against the State founded upon any
21 contract entered into with the State of Illinois.

22 (c) All claims against the State for time unjustly
23 served in prisons of this State when the person imprisoned

1 received a pardon from the Governor stating that such
2 pardon is issued on the ground of innocence of the crime
3 for which he or she was imprisoned or he or she received a
4 certificate of innocence from the Circuit Court as
5 provided in Section 2-702 of the Code of Civil Procedure;
6 provided, the amount of the award is at the discretion of
7 the court; and provided, the court shall make no award in
8 excess of the following amounts: for imprisonment of 5
9 years or less, not more than \$85,350; for imprisonment of
10 14 years or less but over 5 years, not more than \$170,000;
11 for imprisonment of over 14 years, not more than \$199,150;
12 and provided further, the court shall fix attorney's fees
13 not to exceed 25% of the award granted. On or after the
14 effective date of this amendatory Act of the 95th General
15 Assembly, the court shall annually adjust the maximum
16 awards authorized by this subsection (c) to reflect the
17 increase, if any, in the Consumer Price Index For All
18 Urban Consumers for the previous calendar year, as
19 determined by the United States Department of Labor,
20 except that no annual increment may exceed 5%. For the
21 annual adjustments, if the Consumer Price Index decreases
22 during a calendar year, there shall be no adjustment for
23 that calendar year. The transmission by the Prisoner
24 Review Board or the clerk of the circuit court of the
25 information described in Section 11(b) to the clerk of the
26 Court of Claims is conclusive evidence of the validity of

1 the claim. The changes made by this amendatory Act of the
2 95th General Assembly apply to all claims pending on or
3 filed on or after the effective date.

4 (d) All claims against the State for damages in cases
5 sounding in tort, if a like cause of action would lie
6 against a private person or corporation in a civil suit,
7 and all like claims sounding in tort against the Medical
8 Center Commission, the Board of Trustees of the University
9 of Illinois, the Board of Trustees of Southern Illinois
10 University, the Board of Trustees of Chicago State
11 University, the Board of Trustees of Eastern Illinois
12 University, the Board of Trustees of Governors State
13 University, the Board of Trustees of Illinois State
14 University, the Board of Trustees of Northeastern Illinois
15 University, the Board of Trustees of Northern Illinois
16 University, the Board of Trustees of Western Illinois
17 University, or the Board of Trustees of the Illinois
18 Mathematics and Science Academy; provided, that an award
19 for damages in a case sounding in tort, other than certain
20 cases involving the operation of a State vehicle described
21 in this paragraph, shall not exceed the sum of \$2,000,000
22 to or for the benefit of any claimant. The \$2,000,000
23 limit prescribed by this Section does not apply to an
24 award of damages in any case sounding in tort arising out
25 of the operation by a State employee of a vehicle owned,
26 leased or controlled by the State. The defense that the

1 State or the Medical Center Commission or the Board of
2 Trustees of the University of Illinois, the Board of
3 Trustees of Southern Illinois University, the Board of
4 Trustees of Chicago State University, the Board of
5 Trustees of Eastern Illinois University, the Board of
6 Trustees of Governors State University, the Board of
7 Trustees of Illinois State University, the Board of
8 Trustees of Northeastern Illinois University, the Board of
9 Trustees of Northern Illinois University, the Board of
10 Trustees of Western Illinois University, or the Board of
11 Trustees of the Illinois Mathematics and Science Academy
12 is not liable for the negligence of its officers, agents,
13 and employees in the course of their employment is not
14 applicable to the hearing and determination of such
15 claims. The changes to this Section made by this
16 amendatory Act of the 100th General Assembly apply only to
17 claims filed on or after July 1, 2015.

18 The court shall annually adjust the maximum awards
19 authorized by this subsection to reflect the increase, if
20 any, in the Consumer Price Index For All Urban Consumers
21 for the previous calendar year, as determined by the
22 United States Department of Labor. The Comptroller shall
23 make the new amount resulting from each annual adjustment
24 available to the public via the Comptroller's official
25 website by January 31 of every year.

26 (e) All claims for recoupment made by the State of

1 Illinois against any claimant.

2 (f) All claims pursuant to the Line of Duty
3 Compensation Act. A claim under that Act must be heard and
4 determined within one year after the application for that
5 claim is filed with the Court as provided in that Act.

6 (g) All claims filed pursuant to the Crime Victims
7 Compensation Act.

8 (h) All claims pursuant to the Illinois National
9 Guardsman's Compensation Act. A claim under that Act must
10 be heard and determined within one year after the
11 application for that claim is filed with the Court as
12 provided in that Act.

13 (i) All claims authorized by subsection (a) of Section
14 10-55 of the Illinois Administrative Procedure Act for the
15 expenses incurred by a party in a contested case on the
16 administrative level.

17 (j) All appeals of determinations by the Department of
18 Revenue regarding awards under Section 4.5 of the Illinois
19 False Claims Act.

20 (Source: P.A. 100-1124, eff. 11-27-18.)

21 Section 10. The Illinois False Claims Act is amended by
22 changing Section 4 and by adding Section 4.5 as follows:

23 (740 ILCS 175/4) (from Ch. 127, par. 4104)

24 Sec. 4. Civil actions for false claims.

1 (a) Responsibilities of the Attorney General and the
2 Department of State Police. The Attorney General or the
3 Department of State Police shall diligently investigate a
4 civil violation under Section 3. If the Attorney General finds
5 that a person violated or is violating Section 3, the Attorney
6 General may bring a civil action under this Section against
7 the person.

8 The State shall receive an amount for reasonable expenses
9 that the court finds to have been necessarily incurred by the
10 Attorney General, including reasonable attorneys' fees and
11 costs. All such expenses, fees, and costs shall be awarded
12 against the defendant. The court may award amounts from the
13 proceeds of an action or settlement that it considers
14 appropriate to any governmental entity or program that has
15 been adversely affected by a defendant. The Attorney General,
16 if necessary, shall direct the State Treasurer to make a
17 disbursement of funds as provided in court orders or
18 settlement agreements.

19 (b) Actions by private persons.

20 (1) A person may bring a civil action for a violation
21 of Section 3 for the person and for the State. The action
22 shall be brought in the name of the State. The action may
23 be dismissed only if the court and the Attorney General
24 give written consent to the dismissal and their reasons
25 for consenting.

26 (2) A copy of the complaint and written disclosure of

1 substantially all material evidence and information the
2 person possesses shall be served on the State. The
3 complaint shall be filed in camera, shall remain under
4 seal for at least 60 days, and shall not be served on the
5 defendant until the court so orders. The State may elect
6 to intervene and proceed with the action within 60 days
7 after it receives both the complaint and the material
8 evidence and information.

9 (3) The State may, for good cause shown, move the
10 court for extensions of the time during which the
11 complaint remains under seal under paragraph (2). Any such
12 motions may be supported by affidavits or other
13 submissions in camera. The defendant shall not be required
14 to respond to any complaint filed under this Section until
15 20 days after the complaint is unsealed and served upon
16 the defendant.

17 (4) Before the expiration of the 60-day period or any
18 extensions obtained under paragraph (3), the State shall:

19 (A) proceed with the action, in which case the
20 action shall be conducted by the State; or

21 (B) notify the court that it declines to take over
22 the action, in which case the person bringing the
23 action shall have the right to conduct the action.

24 (5) When a person brings an action under this
25 subsection (b), no person other than the State may
26 intervene or bring a related action based on the facts

1 underlying the pending action.

2 (c) Rights of the parties to Qui Tam actions.

3 (1) If the State proceeds with the action, it shall
4 have the primary responsibility for prosecuting the
5 action, and shall not be bound by an act of the person
6 bringing the action. Such person shall have the right to
7 continue as a party to the action, subject to the
8 limitations set forth in paragraph (2).

9 (2) (A) The State may dismiss the action
10 notwithstanding the objections of the person initiating
11 the action if the person has been notified by the State of
12 the filing of the motion and the court has provided the
13 person with an opportunity for a hearing on the motion.

14 (B) The State may settle the action with the defendant
15 notwithstanding the objections of the person initiating
16 the action if the court determines, after a hearing, that
17 the proposed settlement is fair, adequate, and reasonable
18 under all the circumstances. Upon a showing of good cause,
19 such hearing may be held in camera.

20 (C) Upon a showing by the State that unrestricted
21 participation during the course of the litigation by the
22 person initiating the action would interfere with or
23 unduly delay the State's prosecution of the case, or would
24 be repetitious, irrelevant, or for purposes of harassment,
25 the court may, in its discretion, impose limitations on
26 the person's participation, such as:

1 (i) limiting the number of witnesses the person
2 may call:

3 (ii) limiting the length of the testimony of such
4 witnesses;

5 (iii) limiting the person's cross-examination of
6 witnesses; or

7 (iv) otherwise limiting the participation by the
8 person in the litigation.

9 (D) Upon a showing by the defendant that unrestricted
10 participation during the course of the litigation by the
11 person initiating the action would be for purposes of
12 harassment or would cause the defendant undue burden or
13 unnecessary expense, the court may limit the participation
14 by the person in the litigation.

15 (3) If the State elects not to proceed with the
16 action, the person who initiated the action shall have the
17 right to conduct the action. If the State so requests, it
18 shall be served with copies of all pleadings filed in the
19 action and shall be supplied with copies of all deposition
20 transcripts (at the State's expense). When a person
21 proceeds with the action, the court, without limiting the
22 status and rights of the person initiating the action, may
23 nevertheless permit the State to intervene at a later date
24 upon a showing of good cause.

25 (4) Whether or not the State proceeds with the action,
26 upon a showing by the State that certain actions of

1 discovery by the person initiating the action would
2 interfere with the State's investigation or prosecution of
3 a criminal or civil matter arising out of the same facts,
4 the court may stay such discovery for a period of not more
5 than 60 days. Such a showing shall be conducted in camera.
6 The court may extend the 60-day period upon a further
7 showing in camera that the State has pursued the criminal
8 or civil investigation or proceedings with reasonable
9 diligence and any proposed discovery in the civil action
10 will interfere with the ongoing criminal or civil
11 investigation or proceedings.

12 (5) Notwithstanding subsection (b), the State may
13 elect to pursue its claim through any alternate remedy
14 available to the State, including any administrative
15 proceeding to determine a civil money penalty. If any such
16 alternate remedy is pursued in another proceeding, the
17 person initiating the action shall have the same rights in
18 such proceeding as such person would have had if the
19 action had continued under this Section. Any finding of
20 fact or conclusion of law made in such other proceeding
21 that has become final shall be conclusive on all parties
22 to an action under this Section. For purposes of the
23 preceding sentence, a finding or conclusion is final if it
24 has been finally determined on appeal to the appropriate
25 court, if all time for filing such an appeal with respect
26 to the finding or conclusion has expired, or if the

1 finding or conclusion is not subject to judicial review.

2 (d) Award to Qui Tam plaintiff.

3 (1) If the State proceeds with an action brought by a
4 person under subsection (b), such person shall, subject to
5 the second sentence of this paragraph, receive at least
6 15% but not more than 25% of the proceeds of the action or
7 settlement of the claim, depending upon the extent to
8 which the person substantially contributed to the
9 prosecution of the action. Where the action is one which
10 the court finds to be based primarily on disclosures of
11 specific information (other than information provided by
12 the person bringing the action) relating to allegations or
13 transactions in a criminal, civil, or administrative
14 hearing, in a legislative, administrative, or Auditor
15 General's report, hearing, audit, or investigation, or
16 from the news media, the court may award such sums as it
17 considers appropriate, but in no case more than 10%, if
18 any, of the proceeds, taking into account the significance
19 of the information and the role of the person bringing the
20 action in advancing the case to litigation. Any payment to
21 a person under the first or second sentence of this
22 paragraph (1) shall be made from the proceeds. Any such
23 person shall also receive an amount for reasonable
24 expenses which the court finds to have been necessarily
25 incurred, plus reasonable attorneys' fees and costs. The
26 State shall also receive an amount for reasonable expenses

1 which the court finds to have been necessarily incurred by
2 the Attorney General, including reasonable attorneys' fees
3 and costs. All such expenses, fees, and costs shall be
4 awarded against the defendant. The court may award amounts
5 from the proceeds of an action or settlement that it
6 considers appropriate to any governmental entity or
7 program that has been adversely affected by a defendant.
8 The Attorney General, if necessary, shall direct the State
9 Treasurer to make a disbursement of funds as provided in
10 court orders or settlement agreements.

11 (2) If the State does not proceed with an action under
12 this Section, the person bringing the action or settling
13 the claim shall receive an amount which the court decides
14 is reasonable for collecting the civil penalty and
15 damages. The amount shall be not less than 25% and not more
16 than 30% of the proceeds of the action or settlement and
17 shall be paid out of such proceeds. Such person shall also
18 receive an amount for reasonable expenses which the court
19 finds to have been necessarily incurred, plus reasonable
20 attorneys' fees and costs. All such expenses, fees, and
21 costs shall be awarded against the defendant. The court
22 may award amounts from the proceeds of an action or
23 settlement that it considers appropriate to any
24 governmental entity or program that has been adversely
25 affected by a defendant. The Attorney General, if
26 necessary, shall direct the State Treasurer to make a

1 disbursement of funds as provided in court orders or
2 settlement agreements.

3 (3) Whether or not the State proceeds with the action,
4 if the court finds that the action was brought by a person
5 who planned and initiated the violation of Section 3 upon
6 which the action was brought, then the court may, to the
7 extent the court considers appropriate and without
8 limitation, reduce the share of the proceeds of the action
9 which the person would otherwise receive under paragraph
10 (1) or (2) of this subsection (d), taking into account the
11 role of that person in advancing the case to litigation
12 and any relevant circumstances pertaining to the
13 violation. If the person bringing the action is convicted
14 of criminal conduct arising from his or her role in the
15 violation of Section 3, that person shall be dismissed
16 from the civil action and shall not receive any share of
17 the proceeds of the action. Such dismissal shall not
18 prejudice the right of the State to continue the action,
19 represented by the Attorney General.

20 (4) If the State does not proceed with the action and
21 the person bringing the action conducts the action, the
22 court may award to the defendant its reasonable attorneys'
23 fees and expenses if the defendant prevails in the action
24 and the court finds that the claim of the person bringing
25 the action was clearly frivolous, clearly vexatious, or
26 brought primarily for purposes of harassment.

1 (e) Certain actions barred.

2 (1) No court shall have jurisdiction over an action
3 brought by a former or present member of the Guard under
4 subsection (b) of this Section against a member of the
5 Guard arising out of such person's service in the Guard.

6 (2) (A) No court shall have jurisdiction over an action
7 brought under subsection (b) against a member of the
8 General Assembly, a member of the judiciary, or an exempt
9 official if the action is based on evidence or information
10 known to the State when the action was brought.

11 (B) For purposes of this paragraph (2), "exempt
12 official" means any of the following officials in State
13 service: directors of departments established under the
14 Civil Administrative Code of Illinois, the Adjutant
15 General, the Assistant Adjutant General, the Director of
16 the State Emergency Services and Disaster Agency, members
17 of the boards and commissions, and all other positions
18 appointed by the Governor by and with the consent of the
19 Senate.

20 (3) In no event may a person bring an action under
21 subsection (b) which is based upon allegations or
22 transactions which are the subject of a civil suit or an
23 administrative civil money penalty proceeding in which the
24 State is already a party.

25 (4) (A) The court shall dismiss an action or claim
26 under this Section, unless opposed by the State, if

1 substantially the same allegations or transactions as
2 alleged in the action or claim were publicly disclosed:

3 (i) in a criminal, civil, or administrative
4 hearing in which the State or its agent is a party;

5 (ii) in a State legislative, State Auditor
6 General, or other State report, hearing, audit, or
7 investigation; or

8 (iii) from the news media,

9 unless the action is brought by the Attorney General or
10 the person bringing the action is an original source of
11 the information.

12 (B) For purposes of this paragraph (4), "original
13 source" means an individual who either (i) prior to a
14 public disclosure under subparagraph (A) of this paragraph
15 (4), has voluntarily disclosed to the State the
16 information on which allegations or transactions in a
17 claim are based, or (ii) has knowledge that is independent
18 of and materially adds to the publicly disclosed
19 allegations or transactions, and who has voluntarily
20 provided the information to the State before filing an
21 action under this Section.

22 (5) No court has jurisdiction over a civil action
23 brought under subsection (b) that relates to or involves a
24 false claim regarding a tax administered by the Department
25 of Revenue under the Use Tax Act; the Service Use Tax Act;
26 the Service Occupation Tax Act; the Retailers' Occupation

1 Tax Act; the Cigarette Machine Operators' Occupation Tax
2 Act; the Cigarette Tax Act; the Cigarette Use Tax Act; the
3 Home Rule Cigarette Tax Restriction Act; the Tobacco
4 Products Tax Act of 1995; the Hotel Operators' Occupation
5 Tax Act; the Use and Occupation Tax Refund Act; the
6 Automobile Renting Occupation and Use Tax Act; the
7 Aircraft Use Tax Law; the Watercraft Use Tax Law; the
8 Direct Pay Permit Implementation Act; the Governmental Tax
9 Reform Validation Act; the Simplified Sales and Use Tax
10 Administration Act; the Gas Use Tax Law; the Live Adult
11 Entertainment Facility Surcharge Act; the Illinois Estate
12 and Generation-Skipping Transfer Tax Act; the Motor Fuel
13 Tax Law; the Coin-Operated Amusement Device and Redemption
14 Machine Tax Act; the Mobile Home Local Services Tax Act;
15 the Mobile Home Local Services Tax Enforcement Act; the
16 Manufactured Home Installation Act; the Illinois Central
17 Railroad Tax Act; the Messages Tax Act; the Gas Revenue
18 Tax Act; the Public Utilities Revenue Act; the Water
19 Company Invested Capital Tax Act; the Telecommunications
20 Excise Tax Act; the Telecommunications Infrastructure
21 Maintenance Fee Act; the Simplified Municipal
22 Telecommunications Tax Act; the Mobile Telecommunications
23 Sourcing Conformity Act; the Electricity Excise Tax Law;
24 the Electricity Infrastructure Maintenance Fee Law;
25 Section 31 of the Innovation Development and Economy Act;
26 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, 5-1008,

1 5-1008.5, and 5-1035.1 of the Counties Code; Sections
2 8-11-1, 8-11-2, 8-11-3, 8-11-4, 8-11-5, 8-11-6, 8-11-6b,
3 8-11-7, 8-11-8, 8-11-11, 8-11-15, 8-11-16, 8-11-20,
4 8-11-21, and 11-74.3-3 of the Illinois Municipal Code;
5 Section 13 of the Metropolitan Pier and Exposition
6 Authority Act; Section 30 of the Metro-East Park and
7 Recreation District Act; Section 5.01 of the Local Mass
8 Transit District Act; Section 4.03 of the Regional
9 Transportation Authority Act; and Section 4 of the Water
10 Commission Act of 1985, unless the action is brought by
11 the Attorney General. Nothing in this Section affects the
12 Illinois Income Tax Act exclusion in subsection (c) of
13 Section 3.

14 (f) State not liable for certain expenses. The State is
15 not liable for expenses which a person incurs in bringing an
16 action under this Section.

17 (g) Relief from retaliatory actions.

18 (1) In general, any employee, contractor, or agent
19 shall be entitled to all relief necessary to make that
20 employee, contractor, or agent whole, if that employee,
21 contractor, or agent is discharged, demoted, suspended,
22 threatened, harassed, or in any other manner discriminated
23 against in the terms and conditions of employment because
24 of lawful acts done by the employee, contractor, agent, or
25 associated others in furtherance of an action under this
26 Section or other efforts to stop one or more violations of

1 this Act.

2 (2) Relief under paragraph (1) shall include
3 reinstatement with the same seniority status that the
4 employee, contractor, or agent would have had but for the
5 discrimination, 2 times the amount of back pay, interest
6 on the back pay, and compensation for any special damages
7 sustained as a result of the discrimination, including
8 litigation costs and reasonable attorneys' fees. An action
9 under this subsection (g) may be brought in the
10 appropriate circuit court for the relief provided in this
11 subsection (g).

12 (3) A civil action under this subsection may not be
13 brought more than 3 years after the date when the
14 retaliation occurred.

15 (Source: P.A. 96-1304, eff. 7-27-10; 97-978, eff. 8-17-12.)

16 (740 ILCS 175/4.5 new)

17 Sec. 4.5. Actions for false claims relating to certain tax
18 Acts administered by the Department of Revenue.

19 (a) The Department of Revenue has the sole authority to
20 bring an administrative action resulting from information
21 provided by any person alleging a false claim, statement, or
22 record, as defined in Section 3, pertaining to any tax
23 administered by the Department of Revenue under a provision
24 identified in paragraph (5) of subsection (e) of Section 4.
25 The Attorney General has the sole authority to bring a

1 judicial action under this Act for a false claim, statement,
2 or record, as defined in Section 3, pertaining to any tax
3 administered by the Department of Revenue under a provision
4 identified in paragraph (5) of subsection (e) of Section 4.

5 (b) A person may provide to the Department of Revenue any
6 information alleging a false claim, statement, or record, as
7 defined in Section 3, pertaining to any tax administered by
8 the Department of Revenue under a provision identified in
9 paragraph (5) of subsection (e) of Section 4. The Department
10 of Revenue shall establish, by rule, a procedure for the
11 reporting of any allegation of a false claim, statement, or
12 record to the Department. The Department of Revenue shall
13 notify the Attorney General within 60 days of receipt of a
14 report under this subsection. The Department of Revenue shall
15 investigate all allegations of a false claim, statement, or
16 record and make a recommendation to the Attorney General as to
17 whether the Attorney General should bring an action under this
18 Act for all applicable tax and interest the Department of
19 Revenue determines is due under the appropriate tax act. The
20 Attorney General has the ultimate authority to accept or
21 reject the Department of Revenue's recommendation. Nothing in
22 this Section limits the authority of the Attorney General to
23 bring an action under this Act at any time, even in the absence
24 of a recommendation from the Department of Revenue. A person
25 found liable in an action under this Act is subject to the
26 assessment of penalties and damages as specified in Section 3.

1 (c) In exercising its discretion in administering and
2 enforcing the tax laws, the Department of Revenue may
3 determine that a person's allegations of a false claim,
4 statement, or record are best handled within the course of an
5 audit conducted within the Department of Revenue's normal
6 course of business. If the Department of Revenue exercises its
7 audit functions and the audit results in a contested tax
8 assessment, the person audited shall retain all of his or her
9 legal rights to resolve the matter in any forum where
10 jurisdiction is proper, including an administrative hearing
11 before the Department of Revenue, the Illinois Independent Tax
12 Tribunal, a circuit court under the State Officers and
13 Employees Money Disposition Act, or any other judicial
14 proceeding. Under no circumstances may a person, other than
15 the person audited and his or her attorney, have any right to
16 participate in the proceedings, participate in settlement
17 negotiations, challenge the validity of any settlement between
18 the Department and any person, or review any materials subject
19 to the confidentiality provisions of the underlying tax law.
20 If the Attorney General files an action under this Act that
21 relates to or involves a false claim regarding a tax
22 administered by the Department of Revenue under a provision
23 identified in paragraph (5) of subsection (e) of Section 4,
24 any Department of Revenue administrative proceeding that seeks
25 recovery for the same conduct alleged in the Attorney
26 General's complaint shall be automatically stayed until

1 resolution of the action brought by the Attorney General under
2 this Act. However, a Department of Revenue audit or
3 investigation may not be stayed under this subsection.

4 (d) If the Attorney General proceeds with a judicial
5 action under this Act based on information brought to the
6 Department of Revenue's attention by a person, the person
7 shall, subject to subsection (e), receive as an award an
8 amount equal to at least 15%, but not more than 30%, of the
9 collected proceeds (including penalties, interest, additions
10 to tax, and additional amounts) resulting from the action and
11 any related actions, or from any settlement in response to the
12 action, taking into account the significance of the person's
13 information and the role of the person and any legal
14 representative of the person in contributing to the action. If
15 the Department of Revenue proceeds with an administrative
16 action based on information brought to its attention by a
17 person, the person shall, subject to subsection (e), receive
18 as an award an amount equal to at least 10%, but not more than
19 15%, of the collected proceeds (including penalties, interest,
20 additions to tax, and additional amounts) resulting from the
21 action or from any settlement in response to the action,
22 taking into account the significance of the person's
23 information and the role of the person and any legal
24 representative of the person in contributing to the action. A
25 person who brings to the Department's attention information
26 alleging a false claim, statement, or record, as defined in

1 Section 3, pertaining to any tax administered by the
2 Department of Revenue under a provision identified in
3 paragraph (5) of subsection (e) of Section 4, may not receive
4 any amounts for expenses, attorney's fees, or costs.

5 (e) If the judicial or administrative action described in
6 subsection (d) is one that the Department of Revenue
7 determines to be based principally on disclosures of specific
8 allegations (other than information provided by the person
9 described in subsection (d)) resulting from a judicial or
10 administrative hearing, from a governmental report, hearing,
11 audit, or investigation, or from the news media, the
12 Department of Revenue may award to the person a sum as the
13 Department of Revenue considers appropriate, but in no case
14 more than 10%, if any, of the collected proceeds (including
15 penalties, interest, additions to tax, and additional amounts)
16 resulting from the action (including any related actions) or
17 from any settlement in response to the action, taking into
18 account the significance of the person's information and the
19 role of the person and any legal representative of the person
20 in contributing to the action. This subsection does not apply
21 if the information resulting in the initiation of the
22 administrative or judicial action described in subsection (d)
23 was originally provided by the person described in subsection
24 (d).

25 (f) If the Department of Revenue determines that a claim
26 for an award under subsection (d) or (e) is brought by a person

1 who planned and initiated the actions that led to the false
2 claim and any resulting underpayment of tax, the Department of
3 Revenue may reduce the award to the extent it considers
4 appropriate and without limitation. If the person is convicted
5 of criminal conduct arising from conduct described in this
6 subsection, the Department of Revenue may not pay any award to
7 the person.

8 (g) A determination by the Department of Revenue regarding
9 an award under this Section may be appealed exclusively to the
10 Court of Claims. An appeal under this subsection must be filed
11 within 30 days of the Department of Revenue's determination of
12 an award under this Section.